Filed for intro on 02/19/2003 SENATE BILL 1288 By McNally

HOUSE BILL 1282 By Hood

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 7, relative to group purchasing by the systems and institutions of higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, is amended by adding the following as a new section:

Section 49-7-124.

- (a) For the purpose of this section:
- (1) "Governing board" means, as appropriate, either the board of trustees of the University of Tennessee or the board of regents of the state university and community college system; and
- (2) "Group purchasing program" means any plan, program or method which is intended to provide institutions of higher education the opportunity to obtain goods or services at a discount or savings not otherwise available through the purchasing practices of such institutions; and
- (3) "Institutions of higher education" and "institutions" means the University of Tennessee, the state university and community college

system, and the constituent schools, colleges, universities, and centers of each.

- (b) Notwithstanding any other provision of law, institutions of higher education may make purchases of goods and services through a group purchasing program that makes available to institutions of higher education a price quotation on such goods or services offered for purchase, provided that:
 - (1) The price quotation of the group purchasing program results from a competitive process and represents the most competitive bid or proposal, considering price, quality, and service, for the goods or services sought to be purchased;
 - (2) The group purchasing program certifies to the governing board that it uses effective competitive procedures to obtain quotations or contracts for goods or services sought to be purchased by institutions of higher education, so as to obtain the most competitive bid or proposal available to the group purchasing program for the goods or services made available for purchase; and
 - (3) The governing board has determined that participation in the group purchasing program is in the best interest of institutions of higher education, such determination to be made at a meeting of the governing board no less frequently than annually.
- (c) The provisions of this section shall be construed as authority supplemental to purchasing authority provided under any other public or private act. In the event of conflict between this act and any other public or private act, the provisions of this act shall prevail.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring

it.

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